



U.S. Department of Justice

*United States Attorney
District of Vermont*

*United States Courthouse and Federal Building
Post Office Box 570
Burlington, Vermont 05402-0570*

*(802) 951-6725
Fax: (802) 951-6540*

PRESS RELEASE

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Peter Hall, United States Attorney for the District of Vermont and Eliot Spitzer, New York State Attorney General, announced that a federal grand jury in Rutland today indicted seven individuals on criminal charges stemming from the operations and recent failure of the Law Centers for Consumer Protection, a debt-reduction business that operated in Bennington. Named in today's indictment are Andrew Capoccia, 60, of Guilderland, NY; his wife Carol Capoccia, 51; Howard Sinnott, 53, of Bennington; Thomas Daly, 41, of Clifton Park, NY; Shirley DiNatale, 57, of Albany, NY; Rodger Kolsky, 59, of Schenectady; and Carlo Spano, 71, also of Guilderland.

According to court records, Andrew Capoccia formed the Andrew F. Capoccia Law Centers, a predecessor to the Law Centers for Consumer Protection, in Albany in 1998. In November 1999, the New York Attorney General filed a civil fraud suit against the Capoccia Law Centers alleging that the firm engaged in deceptive business practices by falsely misrepresenting its ability to negotiate reductions in consumers' debts. Capoccia, formerly a New York attorney, was disbarred in September 2000. Shortly before the disbarment, Capoccia sold the Law Centers to Howard Sinnott, an attorney who had formerly been one of Capoccia's employees. At that time, Sinnott moved the business from Albany to Bennington.

In March 2002, agents of the Federal Bureau of Investigation, the New York State Attorney General's Office and the New York State Police raided LCCP's offices in Vermont, as well as the home of Andrew and Carol Capoccia near Albany, amid allegations that partners, employees and other persons connected with the Law Centers had participated in a scheme to divert several million dollars in client funds from Law Centers accounts. At about the same time, U.S. Marshals seized about \$2.6 million from several bank accounts; most of the money was in accounts in the name of Carol Capoccia.

Today's 40-count indictment charges Andrew Capoccia, Sinnott, Daly, DiNatale and Kolsky with conspiring to commit mail and wire fraud and other federal crimes. Some defendants are also charged with mail and wire fraud, interstate transmittal of stolen property, receiving stolen property and money laundering. The indictment alleges that the defendants participated in a scheme to misappropriate several million dollars that had been entrusted to the Law Centers by its clients. Much of the money was diverted to benefit Andrew Capoccia, Sinnott and Daly.

The indictment also seeks to forfeit from various defendants more than \$4 million in cash and other property that allegedly constitutes proceeds of the fraudulent activity. In addition, Carol Capoccia and Spano are charged with interfering with the Government's attempt to forfeit \$85,000 in Law Centers money that allegedly had been diverted improperly to an account in Carol Capoccia's name.

Jerry Forkey, 54, of Clifton Park, NY, the former executive director of the Law Centers, and Stephanie Gardner, 52, of South Windsor, CT, the former chief financial officer of the Law Centers, have already pleaded guilty to federal fraud charges in connection with their employment at the Law Centers. Forkey has also pleaded guilty to a conspiracy charge in New York State court. Both have been cooperating with the investigation and are awaiting sentencing.

Law enforcement authorities caution that the charges in today's indictment are merely accusations and that the defendants are presumed innocent unless and until they are proven guilty.

The Capoccias and Sinnott are expected to surrender to authorities on March 11, 2003 and will be arraigned that day in U.S. District Court in Burlington. The remaining defendants will be issued summonses to appear for their arraignments at a later date.

Most of the charges in today's indictment carry maximum possible penalties of either five or ten years' imprisonment on each count, and fines of up to \$250,000 per count. The actual sentence in the event of conviction would be determined in accordance with federal sentencing guidelines.

This case has been investigated by the Burlington Office of the FBI, the New York State Attorney General's Office and the New York State Police. Prosecutors are from the U.S. Attorney's Office in Vermont and the New York State Attorney General's Office, cross-designated as Special Assistant United States Attorneys. The investigation will continue.